

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-57161; File No. SR-CBOE-2006-36)

January 16, 2008

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of a Proposed Rule Change as Modified by Amendments No. 1 and 2 Thereto Regarding FLEX Equity Option Opening Transactions

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 14, 2006, the Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”), filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by CBOE. On December 24, 2007, the Exchange filed Amendments No. 1³ and 2⁴ to the proposed rule change. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

CBOE proposes to amend its rules regarding the minimum value size for an opening transaction in FLEX Equity Option series on a pilot program basis. The text of the proposed rule

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 replaced the original filing in its entirety.

⁴ Amendment No. 2 replaced Amendment No. 1 in its entirety. The purpose of Amendment 2 was to (i) modify the proposed formula contained in Rule 24A.4 applicable to determining the minimum value size for FLEX Equity Options in new series to change the minimum contract component from the originally proposed 100 contracts to 150 contracts, and make this change applicable on a 1-1/2-year pilot program basis; (ii) propose changes to the formula applicable to determining the minimum value size in currently-opened series; (iii) include corresponding amendments to Rule 24B.4; and (iv) provide additional information in the Purpose section of the filing.

